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DE RUEHKO #2533/01 1570841
ZNR UUUUU ZZH
P 060841Z JUN 07
FM AMEMBASSY TOKYO
TO RUEHC/SECSTATE WASHDC PRIORITY 4253
INFO RUEKJCS/SECDEF WASHDC PRIORITY
RHEHAAA/THE WHITE HOUSE WASHINGTON DC PRIORITY
RUEAWJA/USDOJ WASHDC PRIORITY
RULSDMK/USDOT WASHDC PRIORITY
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RUCNDT/USMISSION USUN NEW YORK 4511

UNCLAS SECTION 01 OF 08 TOKYO 002533

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DEPT FOR E, P, EB, EAP/J, EAP/P, EAP/PD, PA
WHITE HOUSE/NSC/NEC; JUSTICE FOR STU CHEMTOB IN ANTI-TRUST DIVISION;
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FAS/ITP FOR SCHROETER; PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR;
CINCPAC FLT/PA/ COMNAVFORJAPAN/PA.

E.O. 12958: N/A

TAGS: [OIIP](#) [KMDR](#) [KPAO](#) [PGOV](#) [PINR](#) [ECON](#) [ELAB](#) [JA](#)
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ARTICLES:

- (1) Prime Minister Abe to make pensions major campaign issue for Upper House election

ASAHI (Top Play) (Full)
June 5, 2007

The Abe cabinet, whose approval rates in recent polls have plunged due to such issues as pension record-keeping blunders by the Social Insurance Agency, yesterday went into action to counter opposition parties, which plan to make the pension fiasco a major campaign issue in the upcoming House of Councillors election. Prime Minister Shinzo Abe instructed a senior member of the Liberal Democratic Party's (LDP) Policy Research Council to include policy measures for the pension issue as the top priority agenda in the party's set of campaign pledges. Health, Labor and Welfare Minister Hakuo Yanagisawa presented yesterday a concrete timetable to investigate cases of unpaid benefits for which eligible recipients are unknown. Meanwhile, a number of critical comments were written in circulars the LDP distributed on the pension issue.

Prime Minister Abe met yesterday morning with LDP Policy Research Council Chairman Shoichi Nakagawa, acting policy chairman Takeo Kawamura and Yoichi Masuzoe, chairman of the LDP caucus in the Upper House. Abe told them: "I want you to immediately adopt the pension issue and the shortage of medical doctors as most important policy agenda to be included in the set of campaign pledges" for the Upper House election. Abe initially planned to make constitutional amendments and education reform, arguments he has made before, as "showcase" of the campaigning for the Upper House race. In the meeting, Masuzoe reportedly said: "We shared the perception that if the LDP does not deal squarely with the pension-record errors, it will not win the election." The LDP will announce today the set of 155 campaign pledges.

When asked by reporters last night about the plummeting cabinet support rates, Abe responded: "I think that that are probably the reflection of public concern about the pension debacle." Asked about bills related to reform of the Social Insurance Agency and a bill to remove the five-year statute of limitations on pension claims, Abe

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replied: "The bills have yet to become well-known to the public. I will eliminate public anxiety by sincerely explaining the bills."

At a press conference yesterday, Health, Labor and Welfare Minister Yanagisawa pledged to move up the schedule for a check of 50 million cases of unpaid benefits for which eligible recipients are unknown. He also stressed that the system for pension consultation would be improved.

Yanagisawa also indicated that a verification committee to pursue causes of the pension issue and responsibility of the former heads of the Social Insurance Agency in the Ministry of Internal Affairs and Communications.

The LDP late last week issued circulars on the pension-record errors, which were sent to its prefectural chapters. The circulars criticized Minshuto Acting President Naoto Kan, who was health, welfare and labor minister when the basic pension numbering system was introduced.

Kan, though, was health and welfare minister in the Hashimoto cabinet. And the successor to Kan was Junichiro Koizumi. Some LDP members voiced concern that the party's advertisement strategy that can be taken as shifting the blame to Kan could backfire on the party. Former Prime Minister Yoshiro Mori, in a speech delivered in Osaka, criticized the move, saying, "Shame on the LDP." He also expressed displeasure with Abe, saying, "The prime minister, too, is criticizing" Kan. Therefore, some LDP executive members started saying that a new circular should be made.

A question-and-answer session to explain the purpose of the bill reforming the SIA was held in a plenary session of the Upper House yesterday. The Upper House Committee on Health, Labor and Welfare will hold today deliberations on the bill to remove the statute of limitations on pension claims. Many ruling coalition lawmakers absented themselves from the Upper House plenary session yesterday. The opposition block criticized the ruling coalition for a small number of attendees in the Upper House Steering Committee. The ruling camp then apologized for it.

Measures to deal with pension-record errors

- Crosscheck 50 million unidentified pension premium payment records with information on some 30 million current pensioners and some 70 million policyholders, and make a list of identified (name, gender and birth date) pension premium payment records match names, gender, and birth date by May 2008.
- Seek for confirmation from those whose records were identified. Notify current pensioners by August 2008 and policyholders by March 2009.
- Send pension premium payment records to all the current pensioners and ask them for confirmation.
- In order to make sure whether computer data on pension premium payment records are correct, compare with the original written data. Make public the progress of the work every six months.
- Set up a round-the-clock telephone service (0570-05-1165) available everyday including Saturdays and Sundays. The service started on June 4.
- Set up on June 11 a toll-free call service (0120-6578) only for consultations on pension records.
- Social insurance offices' inquiry counters provide services until 7:00 p.m. from June 4.
- If both the Social Insurance Agency and individuals do not have

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document that can identify, set up a third-party committee in several social insurance offices.

- Set up a fact-finding committee to pursue the cause of and responsibility for the pension record-keeping blunders in the Internal Affairs and Communications Ministry.

(2) Close-up 2007: Why did pension errors occur? Multiple pension numbers given to one person due to shift from corporate employee to self-employed, moving, marriage, as well as using pen names, misrepresentation of age

MAINICHI (Page 3) (Slightly abridged)
June 5, 2007

Keishi Yoshida, Takuji Nakanishi

The scene of deliberations has now shifted to the Upper House regarding the problem of pension record-keeping errors. But the time spared for deliberations on a set of countermeasures to that problem in the Lower House was merely four hours; it is difficult to understand the nature of the problem. Why did some pensioners receive less than they were entitled to? What has the Social Insurance Agency (SIA) done so far? We examine every aspect of the pension system mess.

One fundamental cause of the problem is that multiple pension numbers were given to some people. There are many such cases. Unless those people's multiple pension numbers are unified, they cannot receive benefits properly. Reportedly, there are 50 million cases of premium payments that cannot be identified (because errors were made when the SIA computerized the pension records).

Pension numbers are given when people join the social security system, for instance, by getting a job. The Japanese pension system consists of plans by occupation. The government-managed pension plan for corporate employees and the national pension plan for self-employed people gave pension numbers independently to their policyholders through 1996.

This means that when people quit the company to become self-employed, they were given new pension numbers under the national pension plan in addition to their old pension numbers under the government-managed pension plan for corporate employees. Even if people have never shifted from the national pension plan to another pension plan, there are chances that they will be given new pension numbers if they moved to a new place but failed to inform a municipal government where they moved in of their pension numbers. This holds true of cases of people having changed their surnames upon marriage. The consequence of these cases is that one person has several pension numbers, whether he or she likes it or not. As of 1997, pension records numbered about 300 million, a figure three-fold the population at the time.

Because of difficulties in managing such a huge number of pension records, the SIA gave one basic pension number to each person starting 1997. The SIA decided to use as basic pension numbers approximately 100 million pension numbers, which were given to the people by the pension plans they were covered by as of December 1996. After doing so, the SIA asked the public whether they had another pension number and crosschecked 200 million records of unidentified premium payments. Through this effort, the SIA was able to unify a total of 150 million records of unidentified premium payments, but 50 million cases were left.

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The 50 million records include ones in which people have used pen names or misrepresented their age. Before the Equal Employment Act took effect in 1986, there were reportedly many women who misrepresented their age to apply for employment with age limits. The 50 million records also include 1.62 million records for the less than 30,000 living people aged 100 or over.

Unclear budget for checking 50 million records

Minister of Health, Labor and Welfare Hakuo Yanagisawa proclaimed that the SIA would check the 50 million records in one year. But the expenses for measures to deal with the problem of missing pension benefits, including the personnel cost, have yet to be estimated. The government calculates compensation will come to 9.5 billion yen at a minimum (for 250,000 persons), but the Ministry of Health, Labor and Welfare (MHLW) said perplexedly when asked about what impact this will have on pension financing that it can't estimate before seeing how the checking process unfolds.

The government and the ruling coalition indicated three approaches to deal with the pension system mess.

The first step is to strengthen the checking of unidentified pension premium payments records. The 50 million records will be crosschecked with the records carrying basic pension numbers in one year. Beneficiaries aged 60 or over whose names and other factors are identified through this check will be informed by August 2008. The notice will carry a record of pension premium payments and say, "A record that may be yours has been discovered." The SIA will also give a notice to those who are aged 59 or younger by March 2009.

Pension premiums for the national pension plan were collected by municipalities until fiscal 2001. Given this, the SIA intends to crosscheck over the next 10 years the problematic cases with the original records kept at municipalities. However, whether this sort of crosscheck will be effective remains to be seen, because the SIA told municipalities that they could destroy the written pension records after those records were microfilmed.

Even if new records of pension premium payments are discovered, pension payments are subject to the five-year statute of limitations on pension claims under the Public Accounts Act. As a second approach, the government and the ruling coalition have submitted a special bill scrapping the statute of limitations to the Diet so that relatives can receive benefits.

The third approach is to respond to those whose records of pension premium payments are not kept at the SIA and who have no evidence of their pension premium payments. The government intends to establish a third organ of experts, including lawyers and certified tax accountants, and listen via this organ to views of those people and their employers. Bank accounts and attendance books will be treated as evidence, and benefits will be paid to those whose cases are judged as "reasonable." However, the bill was created as a rush job as part of the efforts to minimize the impact of the pension fiasco on the upcoming Upper House election, so what is "reasonable" has yet to be well defined.

(3) Aso, Kyuma make insensitive comments before Upper House Foreign and Defense Committee: If Okinawa was bombarded, F-22s would be good fighters (to retaliate)

OKINAWA TIMES (Page 25) (Abridged slightly)
June 6, 2007

Tokyo

Foreign Minister Taro Aso in yesterday's Upper House Foreign Affairs and Defense Committee meeting cited the possibility of aggression against Okinawa by troops of another country as an example subject to the application of the "prior consultation system," which is required prior to mobilizing US forces in Japan under the US-Japan Security Treaty. He said: "The system could be applied in retaliating from bases in Okinawa." Defense Minister Fumio Kyuma also described the F-22 Raptor stealth jets deployed to Kadena Air Base from February through May as "good fighters." The two cabinet ministers made those comments, which lacked consideration toward the residents of Okinawa, in response to questions from Masahide Ota of the Social Democratic Party.

The prior consultation system was established with an exchange of notes between Japan and the United States when the bilateral security treaty was revised in 1960. The system is applied when there are: (1) significant realigning of US forces in Japan, (2) major changes in US military equipment, and (3) US bases in Japan are used combat action emanating from Japan. Prior consultations have never been held in the past.

Aso noted that the deployment of US troops based in Okinawa to fight in the Iraq war was not subject to prior consultations. He then stated: "Suppose, for instance, Okinawa was bombarded by a neighboring country. In such a case, I think there would be (prior consultations) before (the United States) would retaliate from its bases in Okinawa, although I couldn't say exactly at what point. (Prior consultations) would take place if Okinawa was invaded."

Kyuma explained the deployment of F-22s to Kadena Air Base in this way: "I think the United States wanted to publicize what good aircraft they are. Although we don't know much about what's in them, we are now aware how really good they are as combat aircraft."

During the Japan-US defense ministerial meeting held in Washington in late April, Kyuma sought detailed information on the F-22 as the frontrunner to become the Air Self-Defense Force's next-generation mainstay combat jet aircraft (FX).

The deployment of the F-22 to Okinawa drew strong protests from local residents. The stealth jets later left Okinawa for the United States before dawn. The deployment prompted local assemblies to adopt protest resolutions as well.

Voices of anger and disappointment

In yesterday's Upper House Foreign Affairs and Defense Committee session, Foreign Minister Taro Aso referred to the "bombing of Okinawa" and Defense Minister Fumio Kyuma described the noisy F-22s that were temporarily deployed to Okinawa as "good fighter jets." Hearing such words that are devoid of consideration of the sentiments of the Okinawa residents, a number of concerned parties voiced anger and disappointment.

A protest rally took place yesterday against the deployment of MSDF vessels. Peace civic liaison group organizer Shiroma said angrily: "(Aso and Kyuma's) statements and the deployment of the SDF vessels were an extension of historical discrimination against Okinawa."

Their views are irrelevant to Okinawa's experience and are ridiculous."

Okinawa University Professor Emeritus Moriteru Arasaki took this view: "The interpretation of the security treaty is inappropriate. Their ultimate goal is to strengthen the Japan-US alliance. Their lack of political sense by not hesitating to mention an attack on

Okinawa is deplorable."

Masaharu Noguni, chair of the three-city liaison council on Kadena Air Base who is also Chatan mayor, strongly reacted to Kyuma's reference to the F-22s as "good fighter jets," saying: "It can be taken as a stepping stone to the permanent deployment of F-22s. It means the government has been defending (Okinawa). I realize how great the gap in views is between Okinawa and the central government."

(4) Palestinian Authority Foreign Minister Abu Amr: "Freeze on assistance has aggravated the situation", "Expects Japan to resume aid"

MAINICHI (Page 7) (Excerpts)
June 6, 2007

Ramallah, Eiji Maeda

Foreign Minister Abu Amr of the Palestinian Authority on June 4 appealed for an early resumption of aid, warning that if the international community continues the freeze on assistance to the Palestinian Authority, it would become too late to save the situation due to armed conflicts within the territory stemming from the economic crisis. Prior to his visit to Japan starting on June 11, Abu Amr gave an exclusive interview to the Mainichi Shimbun in Ramallah, a city on the West Bank of the Jordan River.

Amr's visit to Japan will be the first by a Palestinian cabinet minister first since the Islamic Fundamentalist Group Hamas gained control of the Palestinian Legislative Council election in January last year. Abu Amr does not belong to either Hamas or the Palestine Liberation Organization (PLO).

Abu Amr pointed out that the major cause of the chaotic state in the autonomous area, including armed conflict between Hamas and Fatah, is attributable to the freeze on assistance imposed by the international community. He underscored the need for an immediate resumption of direct assistance, noting: "It is still possible to deal with the situation. Time is of the utmost importance."

Abu Amr revealed that the Palestinian government has sounded out various countries about the possibility of their resuming assistance through a bank account in the name of the PLO, which is under the control of Finance Minister Fayad (unaffiliated). He said, "I hope Japan will resume assistance in response to our call." The US and European countries have been forward-looking in their responses to the possible use of that account. Some Arab nations and Norway have already transferred a total of more than 180 million dollars or approximately 22 billion yen. European countries and the US have put on hold direct assistance to the Palestinian government since the inauguration of the Hamas government in March last year on the basis that it has refused to recognize Israel. The freeze has been in place even after the inauguration of the coalition government between Hamas and Fatah.

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Japan has so far joined the international community in its drive to isolate Hamas. In the meantime, it has been searching for contact with non-Hamas cabinet ministers, highly praising the establishment of the coalition government between the Hamas and Fatah groups. Japan appears to aim at highlighting its role in the Middle East reconciliation process as well as to enhance its presence by referring to a request for direct assistance by Japan during the foreign minister's stay in Japan.

(5) Okazaki: Comfort women issue is hardly worth considering; 20th century was a century, in which human rights were infringed upon

ASAHI (Page 4) (Full)
June 6, 2007

Former Ambassador to Thailand Hisahiko Okazaki, who is currently Prime Minister Shinzo Abe's foreign-policy "brain," said a speech in Tokyo yesterday: "In the 20th century, China killed tens of millions

of people. Stalin in his Great Purge (during the Soviet era) killed millions of people. The United States also dropped atomic bombs and carried out the firebombing of Dresden. Japan's comfort women issue is hardly worth considering."

During his visit to the United States, Prime Minister Abe touched on Japan's responsibility for the former comfort women, saying: "The 20th century was a century, in which human rights were infringed upon in numerous parts of the world." Okazaki explained the background of Prime Minister Abe's statement. Okazaki revealed that after the prime minister gave an interview to a US news organization before leaving for the United States, he advised him to use exactly those words (the 20th century was a century, in which human rights were infringed upon). Okazaki also raised a question about the need to investigate the use of coercion in recruiting comfort women, saying: "When supply is sufficient, there is no need to use coercion. Hopefully, we can get data on what wages were given to get sufficient supply. Then again, we cannot expect those who ran the Kaesong houses (Korean houses of prostitution) on their own to provide us with reports."

(Corrected copy) Editorial -- US and Iran: Direct talks also needed on nuclear problem

TOKYO SHIMBUN (Page 5) (Full)
June 4, 2007

Iran continues advancing its uranium enrichment program despite United Nations Security Council (UNSC) resolutions. There are no prospects in sight for Iran to end its nuclear program. One breakthrough in this situation may be for the United States and Iran to have direct dialogue on the nuclear issue following the one on the Iraq issue.

The Group of Eight industrialized countries (G-8) foreign ministerial conference held in Germany strongly demanded that Iran should fulfill its duty of shutting down all uranium enrichment facilities. Chancellor Merkel of Germany, the host of the upcoming G-8 summit conference in Heiligendamm, Germany, has declared that she would put the issue of Iran's nuclear weapons development placed on key agenda for the upcoming G-8 summit.

Iran has insisted that it is advancing its nuclear program for peaceful purposes, but the International Atomic Energy Agency (IAEA) recently reported to the UNSC that "Iran is expanding its uranium

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enrichment activities." IAEA Director General ElBaradei looked to the possibility that Iran will produce nuclear weapons in three to eight years to come.

The UNSC has adopted twice a sanction resolution against Iran and obligated its member nations to take such measures as a ban on the transfer of nuclear and missile-related technology to Iran, an embargo on weaponry, and a freeze on funds of Iranian nuclear-related organizations. Those sanctions are beginning to have the impact on Iran, for instance, shrinking foreign investment in Iran for the development of new oilfields.

Iran's tough line will only help itself to be further isolated internationally. If the sanctions are kept in place for a longer period, that public's livelihoods of Iran would be strained. We again call on political leaders in Iran to observe the UNSC resolutions and make a clever choice and demonstrate their sincerity to the international call.

The United States and Iran recently held the first ambassadorial talks ever since 1980. The session was an official forum that occurred after a hiatus of 27 years. We highly value the importance of holding such a meeting. Direct talks are certain to help both countries to understand each other's assertions, given the two had until recently reiterated conflicting political propaganda.

One desirable approach would be that with the ambassadorial talks as a turning point, both sides will move to hold comprehensive talks to cover such issues as nuclear weapons development and security in the

Middle East and the Gulf region. Doing so is certain to benefit both.

The Bush administration dispatched a group of ships, including an aircraft carrier, to the Persian Gulf and conducted military exercises. This only made us recall the start of the Iraq War. Vice President Cheney articulated that the US would block Iran from exercising its influence in the Gulf region. High-level US officials have noted that striking Iran would be one option.

Should an unexpected contingency brought about by military activities in the Gulf region escalate into a military conflict, warfare will spread to the overall Middle East. The US needs to be prudent in its activities.

The UNSC resolutions were adopted unanimously. Critical now is for the international community to unite to deal with Iran, following the IAEA's report.

SCHIEFFER